SECURITY ASSISTANCE;
A TIME FOR REEVALUATION

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ABSTRACT

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Security Assistance programs, key elements of both the National Security Strategy and National Military Strategy, are means by which the nation and regional combatant commanders exercise influence. Today these "tools" are losing their effectiveness as foreign policy instruments. This study examines the largest program country cases, those of Egypt and Israel. It reviews the need for and effectiveness of these programs, while noting their high cost. This analysis then addresses the program support supplied the twelve New Independent State (NIS) nations. Analysis confirms U.S. support is insufficient to achieve the goals outlined by the President of the United States, and written in U.S. national strategies. This study concludes by recommending ways to improve the productivity of the overall program to the Secretary of Defense.

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THESIS STATEMENT

"The Cold War is over, but the peace is not yet secure."[1]
Honorable William J. Perry, Secretary of Defense

Security Assistance programs are a mismanaged and underutilized resource that significantly affect United States foreign policy. These key programs are being improperly managed, and thus are not delivering their maximum possible return in support of both the National Security Strategy and the National Military Strategy.

PURPOSE AND METHODOLOGY

The purpose of this study is twofold. First, illustrate the critical importance of Security Assistance programs to the accomplishment of the United States' National Security Strategy and National Military Strategy goals and objectives. Secondly, utilizing a case study for comparison, document that current Security Assistance program support rendered to the New Independent States (NIS) is insufficient to achieve the United States' National Security Strategy and National Military Strategy endstates and goals.

The study will initially review the Security Assistance program's decision channel/chain of command. It will define the term Security Assistance program, and provide country identities for the abbreviation NIS. Next, as a tool to

validate the requirement for Security Assistance programs,
and later for a case study comparison, the analysis will
examine the two largest United States Security Assistance
program country cases, those of Egypt and Israel. The study
will review the need for and effectiveness of these ongoing
successful programs, while concurrently noting the high cost
of maintaining each. The study will then address the
current status of Security Assistance program support
rendered to the NIS nations. Subsequently, this analysis
will demonstrate and conclude that United States Security
Assistance programmatic support to the NIS nations, is
insufficient to successfully achieve the goals and
objectives of both the United States' National Security
Strategy and National Military Strategy. In conclusion,
this study will summarize the effectiveness and current
status of our overall Security Assistance program, and
recommend to the Secretary of Defense, several ways to
improve program productivity and responsiveness.

DEFINITIONS

"Within the Executive Branch, the NSC (National
Security Council), the OMB (Office of Manpower and
Budgets), the Department of Treasury, and others
all have responsibility to Security Assistance.
However, aside from the President, the principle
legislated responsibilities fall to the Secretary
of State and to the DOD (Department of Defense)."[2]

A cursory understanding of the Security Assistance program's decision making process is necessary to help align responsibility in this study. Although the President of the United States fills the top decision making position in the Security Assistance arena, both the Secretary of State and the Secretary of Defense have overall responsibility for daily program operations. The Secretary of State as the top Executive Branch principle, provides general guidance and makes decisions on Security Assistance program implementation and policy matters. The Secretary of Defense focuses his efforts on establishing military program requirements, and providing his advice to the Secretary of State. The Under Secretary of Defense for Policy is the Secretary of Defense's action agent, responsible for working all actions, and staffing issues/plans through the Department of Defense to the State Department and other appropriate agencies. It's obvious from these notes that many agencies/departments work in the Security Assistance arena.

To further ensure clarity and help maintain the boundaries of this study, it is critical to review the approved definitions of several key terms used throughout this analysis. First, the term Security Assistance as

defined in Joint Chiefs of Staff (JCS) Publication 1-02

states:

> "Security Assistance is a group of programs
> authorized by the Foreign Assistance Act of 1961,
> as amended, and the Arms Export Control Act of
> 1976, as amended, or other related statutes by
> which the United States provides defense articles,
> military training, and other defense related
> services, by grant, loan, credit, or cash sales in
> furtherance of national policies and objectives."[3]

In addition to understanding the term, it is also

important to become familiar with the key components that

make up the overall Security Assistance program, as they

will be used to help define and evaluate the case studies

contained in this analysis. Security Assistance is widely

understood to refer to six major individual programs. Its

three central components which form the basis for this study

are:

> "Foreign Military Sales (is a program through
> which Department of Defense sells defense
> articles, defense services and training to foreign
> governments.)
> Foreign Military Financing (is a grant and loan
> program by which selected friends and allies can
> finance the acquisition of defense articles and
> defense services.)
> International Military Education and Training
> (provides training and training support to foreign
> personnel as grant assistance.)"[4]

For general information purposes, the remaining three

Security Assistance program elements that are not required

to complete this study and will not be discussed are:

Direct Commercial Sales (are those sales made directly from a United States contractor to the foreign government buyer.)

Economic Support Fund (are those grant monies earmarked for other than military aid programs. This fund is managed by the United States Agency for International Development, and supports vital United States interests abroad.)

Peacekeeping Operations (is the final category of Security Assistance programs, and it provides funding for various United States/multinational peacekeeping and economic sanction enforcement operations worldwide.)

One final area in this study that requires early clarification is the abbreviation NIS. Depending on the publication or audience consulted, this abbreviation can be used to identify different countries. To ensure the accuracy and clarity of this study, it is important to establish the identity of the NIS nations. Therefore, when referring to NIS, the twelve NIS nations include: Armenia, Azerbaijan, Belarus, Georgia, Kazakstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.[5]

BACKGROUND

"The United States is the only nation on earth today whose
security interests are truly global in scope."[6]
Honorable William J. Perry, Secretary of Defense

Security Assistance programs, a key element of both the

National Security Strategy and National Military Strategy,

are tremendously useful for regional combatant commanders.

Today these "tools" are losing their effectiveness as United

States foreign policy instruments. Due to an ever-shrinking

defense department budget, and lack of an aggressive

management approach that supports our national interests,

program effectiveness is waning. Today's Security

Assistance programs are tied to outdated priorities,

policies and plans, and are not responsive to many of the

recent changes in global transnational issues, such as

ongoing/new peace initiatives and the emerging democracies

in the NIS.

The current United States National Security Strategy is

built on the tenets of engagement and enlargement. The

three basic goals of this strategy are to ensure national

security through a strong defense, foster an economic

revitalization of the country, including access to new

foreign markets, and finally, continue the spread/promotion

of democracy worldwide. "No matter how powerful we are as a

nation, we cannot always secure (freedom, independence, prosperity, democracy) these basic goals unilaterally."[7] The fundamental premise of the National Security Strategy is to defeat any threat to the nation in cooperation with our allies or regional friends. United States Security Assistance programs fill important and oft critical roles in the successful accomplishment of this most central of goals, security of our nation.

Today's military strategy is tied closely to the tenets and elements of the National Security Strategy. The current United States National Military Strategy supports the National Security Strategy with its ". . . three (basic) components: . . . peacetime engagement, deterrence and conflict prevention, and fighting and winning our Nation's wars."[8] This strategy of flexible and selective engagement, supported by Security Assistance efforts, is a formidable weapon that combats regional instability, transnational dangers (terrorism, drug trafficking, etc.), the proliferation of weapons of mass destruction and/or destabilizing weapons technology, and other dangers to democracy.

In addition to its effects on broad United States foreign policy issues, the use of Security Assistance

services, materiel, training and economic aid, is critical in assisting the field commander (Combatant Commander or Commander Joint Task Force) execute the National Military Strategy's objectives. Currently five Unified Commanders in Chief (U.S. Atlantic Command, U.S. Central Command, U.S. European Command, U.S. Pacific Command, and U.S. Southern Command) employ various Security Assistance programs in their area of responsibility to assist in their accomplishment of the National Military Strategy.

Security Assistance is a vital group of programs that are critical to the success of many ongoing political, military and economic programs/efforts. As Secretary of Defense, William J. Perry recently stated, "(I)n virtually every new democracy . . . the military is a major force. In many cases it is the most cohesive institution in the country, containing a large percentage of the educated elite and controlling important resources."[9] Security Assistance programs can and should play a vital role in establishing and fostering new friendships and alliances with the United States. In addition, Security Assistance program results may be most effective when used in conjunction with and through our various treaties and organizations (e.g., North Atlantic Treaty, ANZUS Treaty, Rio Treaty, North Atlantic

Treaty Organization (NATO), Organization of American States, and NATO Partners for Peace).

The Honorable Perry also stated, "While preventive defense holds great promise, . . . it will not always work."[10] The role and criticality of Security Assistance programs to achieving the goals and objectives listed in the National Military Strategy are unmistakable. Security Assistance programs provide our allies and friends with the equipment, materiel's and training necessary to aid United States efforts.

> "As the United States' armed forces continue to
> downsize, and the requirement for potential
> coalition defense operations increases, military
> assistance programs will remain critical. The
> importance of such programs is recognized in both
> the National Security Strategy and the National
> Military Strategy."[11]

In support of this, another program benefit that maybe found in established foreign democracies, is that United States Security Assistance efforts often fill the void left by inactivating units and base closures, particularly those located overseas in Europe.

The continued support and enhanced effectiveness of global Security Assistance programs is essential to maintaining current relationships, and establishing new security partners globally. The bottom line today more than

any other time in history is that ". . . in a more integrated and interdependent world, we simply cannot be successful in advancing our interests -- political, military, and economic -- without active engagement in world affairs."[12] Strong, properly supported and managed Security Assistance programs are an essential element of that United States peacetime engagement strategy.

SECURITY ASSISTANCE OBJECTIVES AND POLICY

"A nation's survival is its first and ultimate responsibility; it cannot be compromised or put to risk."[13]
Henry Kissinger

As its declared endstate, United States foreign policy must first focus on security. Current United States Security Assistance program efforts successfully support this objective in part, while attempting to accomplish its role of the National Security Strategy and the National Military Strategy. However, if Security Assistance programs are to remain viable and effective in today's fluid global environment, and to meet the National Security Strategy/ National Military Strategy goals and objectives, they must evolve into a more responsive, operative and potent element of the United States' foreign policy tool bag. We find that "(A)ll too often in the current administration, the currency of United States foreign policy is devalued by spreading

itself too thin in too many places."[14]   United States

Security Assistance programs are no exception to this

devaluation.

President Clinton's FY 1996 International Affairs

Budget Request listed Security Assistance program objectives

in five broad mission categories. These included:

> "developing the most open global trading system in
> history; building a new European security order;
> achieving a comprehensive peace in the Middle
> East; combating the spread of weapons of mass
> destruction; and fighting international narcotics
> trafficking, terrorism, and crime."[15]

If properly budgeted and managed, these Security Assistance

policy objectives and missions are both supportable and

achievable.

Examination of past budgets and proposed future funding

levels, however, reveals a continued reduction in Security

Assistance program support. Foreign Military Sales (FMS),

for example, one of the six Security Assistance programs,

lost over 30% of its budget in FY 1995 alone.[16]

Additionally, as embodied in the FY 1997 Foreign Military

Financing (FMF) requests, current trends and forecasts

reveal a less than optimum allotment of program benefits to

recipients with whom the United States' future may reside in

large part. Budget figures indicate that approximately 96%

of the FY 1997 FMF requests for grant and loan subsidies

($3,132.1/$3,268.25 million) are earmarked for four countries (Israel, Egypt, Turkey, and Greece).[17] This leaves a less than optimum amount of funds available to improve United States relations with other friendly countries.

The current employment method of using Security Assistance programs as a means for establishing trust with the military of an individual nation, has the potential to be extremely effective in achieving that goal. Essentially, Security Assistance programs provide an unequaled inroad for the United States to gain the trust and confidence of other nations, both long-term ally and new friend alike. To be effective, however, Security Assistance program implementation must be reprioritized and refocused on the new world order and evolving global threat.

SITUATION/GLOBAL ENVIRONMENT

"(N)ew dangers make protecting America's security a difficult and in some ways more complex task . . ."[18]
Honorable William J. Perry, Secretary of Defense

With the passing of the Cold War, the United States and its allies/friends, face an ambiguous threat to world peace and order. Many senior United States leaders concur that today's multipolar threats to democracy (terrorism, rogue states, and crime) are greater during this period of

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transition than previously found during the bipolar United

States - Union of Soviet Socialist Republic arms race.

Joint Vision 2010, as authored by the Chairman of the

Joint Chiefs of Staff, General John Shalikashvili, focuses

on adapting and shaping the United States military to

maximize its joint warfighting capabilities now and through

the year 2010. It states, ". . . the United States must

prepare to face a wider range of threats, emerging

unpredictably, employing varying combinations of technology,

and challenging us at varying levels of intensity."[19] As

espoused in the 2010 strategy, future success will be based

on the new operational concepts of dominant maneuver,

precision engagement, full dimensional production, and

focused logistics. Developing and maintaining strong and

effective Security Assistance programs is an essential

element of Joint Vision 2010, and will play a vital role in

the ultimate success or failure of each of its operational

concepts listed above. Also of particular importance will

be its pivotal role in developing closer ties and improving

cooperation with allied and newly established relationships.

The current

> "Security Assistance program serves United States
> interests by assisting allies and friends to
> acquire, maintain, and, if necessary, employ the
> capability for self defense . . . such assistance
> helps them attack the causes of economic and

> political instability. Security Assistance
> complements and supplements our own defense
> posture and contributes to the vitalization of our
> alliances."[20]

Looking east and west towards Europe and the NIS nations,

and also towards the Middle East, we find a plethora of

evolving threats to the vital national interests of the

United States and our allies. Effective Security Assistance

programs are more necessary today than ever before to

demonstrate United States commitment to friends, and our

resolve to counter any threat to ourselves or our allies.

CASE STUDIES

> ". . . the United States is expanding (its) ties
> to other nations to help enlarge the community of
> free-market democracies, understanding that this
> is good for America's national security. Such
> enlargement is a key element of United States
> preventive defense strategy."[21]

The two case studies selected for analysis were chosen

for different reasons. The first two Security Assistance

case study countries, Egypt and Israel, were picked because

they together received greater than $3.6 billion annually,

or approximately 84% of the United States' total Security

Assistance FMF Program money since the early 1970's.[22]

Annual FMF credit is a major benchmark or indicator of

United States commitment to a country. FMF credit includes

both Department of Defense (DOD) loans that require

repayment, and DOD loans that are waived and relieve the affected country or organization of any repayment. Secondly, Egypt and Israel were chosen because they are two very important allies to the United States. They serve as an example of how effective United States Security Assistance program efforts can be in achieving National Security Strategy and National Military Strategy goals and objectives.

The NIS nations were chosen as the second case study subjects for similar reasons to those stated for Egypt and Israel. First and foremost, however, the NIS nations were selected because they present possibly the greatest challenge to the United States' National Security Strategy to date. The NIS nations are beckoning the United States to follow its espoused strategies of engagement and enlargement, thus promoting the spread of democracy and a global free market economy. This must be done by developing strong and viable new ties with them. As President Clinton recently stated, "Nowhere are our interests (U.S.) more engaged than in Europe. When Europe is at peace, our security is strengthened. When Europe prospers, so does America."[23] The initial focus of these ties are in large part various kinds of economic aid, including Security

Assistance program funds. However, the reality in this case indicates that Security Assistance program funding efforts to assist the NIS nations, and that of other United States Department of State foreign aid programs as well, have been quite small when compared to aid given to other nations or alliances. The facts actually indicate United States international aid funding levels are shrinking annually, although the NIS states continue to be considered a major focus of the goals and objectives of the United States' National Security Strategy.

Each of these case studies will follow a similar format and address the same critical elements of information. Elements include a brief history of the significance of each country to the United States and our national interests, a review of each countries current geopolitical/economic/ military situation, and finally a focused review of information related to each individual country's receipts/requests from the United States' Security Assistance program. Finally, because of space limitations, and to further limit the scope of this analysis, when addressing the twelve NIS countries, they will be discussed as a collective group/single case study and not as individual nations.

EGYPT - ISRAEL

"We have a very consistent policy in the Middle East: It is
to support the peace process, to support the security of
Israel, and to support those who are prepared to take risks
for peace."[24]
    William J. Clinton, President of the United States

Middle East peace is an integral part of the United

States' National Security Strategy and National Military

Strategy goals and objectives. The impact of another Middle

East war, hostilities, widespread terrorism or violence in

the region would be crippling to both the United States and

various global communities/markets. Current United States

regional efforts (political, economic, military, and social)

are aimed at fostering improved relations between nations to

promote regional stability/security, and minimize threats

from rogue states like Libya, Iran, and Iraq. The sustained

and enduring presence of Egypt's and Israel's peace,

provides the foundation and support for numerous United

States efforts to achieve and maintain stability in the

region, through multiple political, military and economic

means. As presented below, a balanced United States-Egypt-

Israel Security Assistance program, plays a vital role in

achieving both stability and security. The regional balance

of power is tied directly to the FMS grants each country

receives annually from the United States.

EGYPT

"Under the wise and courageous leadership of President Mubarak, Egypt has been a key partner with the United States in working to build both regional security and global peace."[25]

William J. Clinton, President of the United States

Egypt is the United States' single most important Arab ally in the Middle East. It maintains pro-Western and pro-United States views on many critical issues affecting the world today. Egypt has proven its commitment on numerous occasions, including deploying forces in support of Operation's Desert Shield/Desert Storm, Operation Restore Hope in Somalia, and currently Operation Joint Endeavor in Bosnia. "In addition, Egypt's strategic location makes it a critical transit point for oil and for United States forces moving to and from the Gulf region."[26]

Egypt fills the critical role of regional Arab leader, and serves as a significant moderating force throughout the Middle East. Since signing the Camp David Peace Accords with Israel, Egypt has maintained the peace, thus promoting international stability. Despite an internal growing Islamic Fundamentalist movement, Egypt has continued its efforts to bring peace and stability to the region. Today it continues to fulfill its role as moderator, playing an important part

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in the ongoing Israeli-Palestine Liberation Organization (PLO) peace talks, and promoting democratic reform.

Since the end of the 1973 Arab-Israeli War, Egypt also promoted economic growth with its Jewish neighbors, and internationally with the West. "Indeed, since the 1993 agreement between Israel and the PLO, the Jewish state's trade with Egypt has taken off to more than $60 million in overt trade last year (1995)."[27] The trade with the West also stands on good ground, with Egypt exporting approximately $700 million to and importing $3 billion from the United States in 1994-1995.[28]

Militarily, Egypt maintains a highly capable joint force that acts as both a deterrent and as a moderating force in the region. The Egyptian military is supported in large part by FMF funding, a combination of grants and loans from the United States Security Assistance program. To demonstrate its continuing commitment to Egypt, the FY 1997 United States Department of State Congressional Foreign Operations Budget lists the United States' first two objectives for Egyptian growth, the development of a modernized armed force, and secondly, the proper training of Egyptian officers. The United States' Security Assistance program supports these two goals, with its espoused endstate

the improvement of Egyptian and Arab Coalition
interoperability with the United States.

Between 1950 and 1995 Egypt received $19.75 billion in
United States FMF dollars, $15.2 billion of which were in
the form of grants, which require no repayment to the United
States. Much of this money has been received since the
signing of the Camp David Peace Accords in 1974, at an
annual rate of $1.3 billion.[29] Additionally, Egypt has
received deliveries of approximately $11.2 billion in
foreign military sales during the 1950-1995 period. Of
special note is that the FY 1996 United States FMS sales
agreement estimates, indicate Egypt received $1.46 billion,
the largest FMS agreement made by the United States in
FY 1996.[30] The next largest recipient was South Korea with
$940 million. To further demonstrate the priority Egypt
receives from the United States, note that at $1 million,
its FY 1997 International Military Education and Training
(IMET) request is the forth largest in the United States'
Security Assistance program. This is in addition to the
current FY 1997 FMF request for $1.3 billion in grants for
Egypt.[31] When commenting on the level of United States aid,
President Mubarak recently stated,

> "I know very well that the (U.S.) aid is not going
> to stay forever. We are arranging ourselves; at
> any time it may be reduced. So there is no worry

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about that. There is good cooperation with the
United States, so we don't worry . . ."[32]

ISRAEL

"In the next four years we are going to begin the long-term
process of gradually reducing the level of your (U.S.)
generous economic assistance to Israel."[33]
        Benjamin Netanyahu, Prime Minister of Israel

Israel remains a close ally to the United States, and

"(T)he commitment to Israel's security has been a

cornerstone of United States Middle East policy . . ."[34] for

many years. Since Israel's independence in 1948 United

States and Israeli relations have been close. Based on

historical and other cultural ties, the United States has

remained committed to Israeli security and peace in the

region. Initially the United States' lone ally in the

growing Soviet dominated Middle East, Israel still remains

center stage in today's post Cold War era. Much like

Egypt's strategic location, Israel too holds key terrain

that makes its central locality critically important. The

combination of its location on the eastern Mediterranean Sea

and position in the saddle between southern Europe and the

Middle East, makes it of great strategic value to the United

States and the West.

Recent Israeli political activity to secure peace with

Jordan and the PLO, has deepened United States resolve to

remain an active player in the Middle East peace process,
and has strengthened United States and Israeli ties. The
United States is, therefore, committed to bringing about a
regional peace that achieves the National Security Strategy
and National Military Strategy goals/objectives.

As a result of their warming political environment,
Israel and Egypt are both enjoying improved economic growth
(Israeli gross domestic product growth was greater than 7%
in FY 1995).[35] Trade relations between each country and
their regional neighbors also continue to improve, a direct
result of ongoing peace initiatives and political
accomplishments. Current forecasts indicate that Israeli -
Gulf Cooperation Council trade may reach $1 billion in just
a few years. Additionally, recent Israeli economic figures
indicate an annual average of approximately $300 million in
trade with Kuwait.[36]

Israel maintains the most effective military force in
the region. Much of its expansion and growth can be tied
directly to its receipt of United States FMF Security
Assistance program support. Like Egypt, Israel has received
large amounts of support from the United States since the
Camp David Peace Accord signing. Between 1950 and 1995
Israel received $37.62 billion in FMF dollars, $26.4 billion

of which was in the form of grants.[37] Again like Egypt,

much of Israel's FMF monies have been received since the

1974 signing of the Accords. A rate of $1.8 billion in

grants annually was approved in addition to other FMF loans

that required repayment. Israel also received deliveries of

approximately $14 billion in foreign military sales during

the period 1950 to 1995, the second largest delivery record

in the United States Security Assistance program's history.

The largest recipient was Saudi Arabia with $37 billion.[38]

Today, however, as Israel seeks greater independence from

the United States, Israeli Prime Minister ". . . Netanyahu

himself (has) urge(d) that Israel wean itself from United

States foreign aid."[39] Israel's FY 1997 FMF request for

grant funding submitted to Congress remains at $1.8

billion.[40]

NEW INDEPENDENT STATE (NIS) NATIONS

> "In Central Europe, in Russia, Ukraine, the other
> New Independent States, the forces of reform have
> earned all our respect and will continue to have
> the support of the United States. Now we must
> begin to welcome Europe's new democracies into
> NATO, strengthen NATO's partnership with Russia,
> and build a secure and undivided Europe."[41]
> William J. Clinton, President of the United States

Before proceeding further, it is important to identify

an important limitation in the scope of this study.

Although NATO is discussed at some length in the following

analysis, the separate issue of NATO enlargement methodology is not addressed in detail (method proposed to allow NIS and other Non-NATO nations to achieve member status in the Alliance). The purpose for utilizing the NIS nations as one of the two case studies in this analysis, is to prove the validity of this research paper's thesis (Security Assistance programs today are improperly managed and prioritized, and are not providing the United States with an adequate return toward achieving its National Security Strategy and National Military Strategy goals and objectives.). As stated in the FY 1997 Department of State's Congressional Presentation for Foreign Operations, "At last, the United States and its partners can complete the task of building a free, democratic, and undivided Europe, integrating Central Europe and the Baltic States into the Western economic and security system."[42] However, current program funding policies with the NIS nations is an example of how the Security Assistance program and United States National Security Strategies are incompatible with one another.

The sixteen NATO member states are discussing various approaches to NATO's assimilation of the twelve NIS states.

> "As action on enlargement draws near, NATO must lay out a vision for its new security structure in Europe, establish clear steps toward that goal,

and reassure countries that may feel threatened or abandoned by the process, while retaining needed flexibility for the Alliance."[43]

As it stands today, Washington prefers a strategy of opening the door to all possible candidates, not disallowing anyone who meets NATO's criteria for entry, including Russia. It is with this stated goal in mind that the United States should refine its policies for providing Security Assistance programs to the NIS nations. As its de facto leader, the United States can and should play an integral/central role in helping determine NATO's future identity. By developing a comprehensive United States - NIS vision that facilitates incorporation of new Non-NATO states that meet all of NATO's membership requirements, the United States will simultaneously fulfill both its National Security Strategy and National Military Strategy goals and objectives.

"The overall goal of United States policy is to establish enduring, normal, and productive bilateral relations with each of the New Independent States . . ."[44] Any program the United States makes with the NIS, must be developed and implemented with a long-term approach toward achieving common United States - NIS goals. These joint goals include support of democratic reform, creating and opening competitive free market economies, and finally,

developing enhanced cooperative security between the
nations. As a program limitation, the United States'
actions must ensure they in no way create a backlash from
Russia or any other Non-NATO aligned country, that
destabilizes the region. On the contrary, Security
Assistance program goals in this region must be established
to meet National Security Strategy and National Military
Strategy goals, including a viable NATO alliance.

The current United States NIS foreign assistance
program is only four years old, and many believe "the reform
effort has progressed far enough to begin moving beyond the
donor - recipient relationship, to a more normal
relationship involving the full range of economic,
commercial and other ties."[45] To gain an understanding of
the current United States - NIS relationship, a review of
recent funding levels is necessary. The total FY 1997
United States International Affairs Budget request was $12.8
billion, $1.9 billion less than that approved for FY 1996.
The total NIS Foreign Assistance Budget in FY 1995 was $850
million, of which $344 million was for Russia alone
(Security Assistance programs being only one part of the
overall assistance program). FY 1996 estimates were $641
million and $163 million respectively, indicating a sharp

decline in United States international assistance funding levels. United States FY 1997 International Affairs Budget Program Requests were reduced even lower than those in FY 1996.[46]

As budget allocations are reduced and initiatives are underfunded, United States - NIS programs will be adversely affected, thus likening the possibility that National Security Strategy goals and objectives will not be met. Current Security Assistance program support to the NIS nations does not fulfill elements of President Clinton's guidance focused on rebuilding NATO. Two of his three guiding principles are tied to United States - NIS nation relations. These two elements are: ". . . by opening its doors (NATO) to Europe's emerging democracies; and . . . by building a strong cooperative relationship between NATO and Russia."[47] It is because of these fiscal realities, that the Security Assistance Program Budget should be realigned and refocused on today's greater need, greater pay off customer (e.g., NIS nations vice Egypt or Israel).

CONCLUSIONS

"In the unstable environment of the Cold War's wake, the United States has not only the opportunity but the responsibility to help ensure a safer world for generations of Americans."[48]

Honorable William J. Perry, Secretary of Defense

As evidence of the potential effectiveness of Security

Assistance programs, one need only review the impact of the

Gulf War to see the overwhelming demand and support these

programs have with allies/friends. For example, following

Desert Shield/Desert Storm,

> "FMS agreements increased from $14.2 billion in FY
> 1990 to $23.5 billion in FY 1991 . . . (Desert
> Storm) was a big success story as many of the
> coalition members were FMS recipients. Over 350
> new FMS cases were generated . . . and in large
> part allowed United States technology to be used,
> and validated its effectiveness to many
> countries."[49]

Also of note is the fact that the International Military

Education and Training Program trained over 3,300 foreign

personnel from 100(+) countries in FY 1995.[50] While the

IMET program continues to be one of the least costly

Security Assistance programs, it provides one of the

greatest returns per dollar of any program, as United States

trained foreign personnel often occupy central government

and key military seats across the globe.

Today IMET support to the NIS nations remains extremely

limited. Although IMET NIS program funding levels have

increased from $1.77 million (actual) in FY 1995 to $3.77

million (requested) in FY 1997, these figures account for

less than 10% of the total United States IMET budget. Also

of note is the fact that three of the twelve NIS nations do

not receive any IMET funding, and Russia alone accounts for approximately 25-35% of the total IMET NIS budget.[51] A review of the proposed FY 1997 IMET student training summary reveals that NIS students account for only 15% of all European students, and an appalling 4% of IMET students worldwide.[52]

A review of the summary of the current Security Assistance program's effects illustrates the utility and far-reaching impact these programs have on United States foreign policy, and on National Military Strategy implementation/execution. Security Assistance programs: support cooperative security measures and regional stability while providing common equipment/training to coalition members/allies/friends; open foreign markets to United States goods/services; spur both United States and global economic growth/viability; support United States strategies of peacetime engagement, overseas presence, and deterrence (military and economic), thus reducing the likelihood of committing United States forces overseas; and promote democracy and free markets abroad.

The greatest risk associated with execution of Security Assistance programs at current and forecasted reduced funding levels, is that fewer countries will be recipients,

or worse, less will receive less. The impact of doing less to date, has been to encourage affected countries to "shop around" for aid or better financial arrangements for purchasing equipment, training or services.[53] Additionally, "the termination of most countries programs has had a debilitating influence on the quality and scope of United States defense relations with many Latin American, East Asian, and Middle Eastern countries."[54] This decline directly conflicts with the United States' broadly stated objectives/goals in both the National Security Strategy and National Military Strategy.

A key issue with the current Security Assistance policy is the amount of DOD budget dollars allocated to Security Assistance programs. Since its inception until FY 1995, the total worldwide Security Assistance program cumulative orders and programmed materials/services totaled approximately $353 billion in equipment, construction, or training.[55] With 98% of the available Security Assistance grant funds being earmarked by Congress for Egypt and Israel ($3.1 billion in FY 1995), the program has little flexibility in dealing with the myriad of oft changing global challenges.[56] Security Assistance programs require timely and adequate funding to remain effective.

"In this strategic interregnum, the United States should not take short-term actions that foreclose long-term aspirations for a more peaceful and democratic world . . ."[57]   Security Assistance programs must be managed with a long-term approach. Security Assistance is not a panacea. While the United States record shows many Security Assistance success stories, there were several programs that failed to provide the return expected on the United States investment (e.g., Iran and Ethiopia and, more recently Russia). We witnessed similar experiences by the former Soviet Union as well (Egypt and Indonesia). Security Assistance programs are, however, one of several critical links in the nation's comprehensive foreign policy approach, aimed at assuring our national security. The key to meeting United States national goals/objectives, is fostering and maintaining effective relationships with other countries, through the formation of common interests (security, economy, democracy, etc.). Security Assistance programs facilitate these efforts. To summarize the key conclusions of this study, the three central components contained in the current National Security Strategy provide categories for examination, viz.:

(1) Enhance security by maintaining a strong defense. The Security Assistance program approach to meeting both the National Security Strategy and National Military Strategy, is an extremely cost effective solution to a perpetual situation. Security Assistance programs maximize peacetime engagement and deterrence in the host-nation's own geographic arena, thus reducing the spectrum of threats to the United States, and reducing the likelihood of United States military involvement overseas.

(2) Work to open foreign markets. As stated by the President of the United States, "Our economic and security interests are increasingly inseparable."[58] Security Assistance is a rare and valuable tool that should be exploited to maximize United States/global economic prosperity, while simultaneously aiding the growth of free market nations and improving our interoperability with allies/friends.

(3) Promote democracy abroad. Security Assistance programs cross the boundaries of and focus all four elements of national power (military, economic, political, and socio-psychological/informational), on the challenges of maintaining peace and promoting democracy overseas.

RECOMMENDATIONS

"Because today's world lacks the steadfast foreign policy compass of the Cold War, present-day U.S. policy needs to redirect its course by learning to break free of old precedents."[59]

In conclusion, the results of this study indicate action is necessary to improve and stabilize today's Security Assistance program. As an impersonal note, strongly recommend that the Secretary of Defense direct the Under Secretary of Defense for Policy to conduct an analysis/study/report on the current United States Security Assistance program, with the stated mission to develop a more comprehensive, responsive, requirements-based program. This new program must facilitate achieving the goals and objectives outlined in the United States' National Security Strategy and National Military Strategy. Recommend the Secretary of Defense advise the Secretary of State of the DOD study results. These findings should support the thesis that continued Security Assistance program budgetary support, and the need for including a more refined/focused Security Assistance program in the updated National Security Strategy, are both elements of vital importance. Further recommend the Secretary of State study the DOD analysis, and reevaluate/redefine/restate current Security Assistance

program goals and objectives into an updated National

Security Strategy.

"As we enter a new century, I believe our foreign policy is on the right track. As long as we . . . adequately fund our international engagement -- I am confident we will be able to meet our responsibilities to the American people."[60]
    Honorable Warren Christopher, Secretary of State

ENDNOTES

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[3] Joint Chiefs of Staff, *Joint Publication 1-02, Department of Defense Dictionary of Military and Associated Terms* (Washington: Government Printing Office, 23 March 1994), 339.

[4] "International Security Relationships," *Defense Almanac 96, 5* (1996): 37.

[5] Department of State, *Congressional Presentation for Foreign Operations* (Washington: Government Printing Office, FY 1997), 71.

[6] Perry, *Defense in an Age of Hope*, 73.

[7] U.S. President, *A National Security Strategy of Engagement and Enlargement* (Washington: Government Printing Office, February 1996), 12.

[8] Office of the Secretary of Defense, *National Military Strategy of the United States of America - 1995* (Washington: Government Printing Office, 1995), i.

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[11] William J. Perry, *Annual Report to the President and the Congress,* Report of the Secretary of Defense to the President and the Congress. Office of the Secretary of Defense (Washington: Government Printing Office, March 1996), J-3.

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[16] Ibid., 30.

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[18] Perry, *Defense in an Age of Hope,* 65.

[19] John M. Shalikashvili, "Joint Vision 2010 -- America's Military: Preparing for Tomorrow," *Joint Force Quarterly* no. 12 (Summer 1996): 38.

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[22] Defense Security Assistance Agency, Comptroller Financial Policy Division, *Foreign Military Sales, Foreign Military Construction Sales and Military Assistance Facts* (Washington: Government Printing Office, 30 September 1995), 33-37.

[23] William J. Clinton, "The Legacy of America's Leadership As We Enter the 21st Century," *U.S. Department of State Dispatch* 7, no. 43 (October 21, 1996): 519.

[24] "Presidential Debate in Hartford October 6, 1996," *Weekly Compilation of Presidential Documents* 32:41 (14 October 1996), 1988.

[25] "The President's News Conference With President Mubarak July 30, 1996," *Weekly Compilation of Presidential Documents* 32:31 (5 August, 1996), 1368.

[26] Department of State, *Congressional Presentation,* 422.

[27] Patrick Clawson, "Israel - Gulf Trade Ties," *Middle East Insight* 12, no. 4-5 (May-August 1996): 66.

[28] "Business Intelligence," *Middle East Insight* 12, no. 4-5 (May-August 1996): 9.

[29] Defense Security Assistance Agency, *Foreign Military Sales,* 33.

[30] Ibid., 38.

[31] "International Security Relationships," 37.

[32] "The President's News Conference With President Mubarak July 30, 1996," *Weekly Compilation of Presidential Documents* 32:31 (5 August 1996), 1375.

[33] Sever Plozker. "Israel: Netanyahu Seen as Unyielding in Address to Congress" (text). Tel Aviv *Yedi'Ot Aharonot* (11 July 1996) 3/19. *Foreign Broadcast Information Service. FBIS Daily Report - Israel* 10, no. 2; 11 July 1996 (PrEx 7.10: FBIS-NES-96-134; 20).

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[36] Clawson, 66.

[37] Defense Security Assistance Agency, *Foreign Military Sales,* 33.

[38] Ibid., 17.

[39] Marshall J. Breger, "Washington and Jerusalem," *Middle East Insight* 12, no. 4-5 (May-August 1996): 23.

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[41] "Remarks to the 51st Session of the United Nations General Assembly in New York City, September 24, 1996,"

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[44] Department of State, *Congressional Presentation*, 64.

[45] Ibid.

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[47] Clinton, 520.

[48] Perry, *Defense in an Age of Hope, 79.*

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[50] Perry, *Annual Report to the President,* J-2.

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[54] Ibid.

[55] Defense Security Assistance Agency, *Foreign Military Sales,* 119.

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